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## Scoop: Biden admin call on Putin pipeline provokes GOP anger















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A briefing between the State Department and congressional staff over Vladimir Putin's Russia-Germany gas pipeline got tense this week, with Biden officials deflecting questions about why they hadn't moved faster and more aggressively with sanctions to stop its completion.

 The Biden officials also denied negotiating with the Germans over a potential side deal to allow the pipeline to be finished.

Why it matters: As we reported <u>earlier this week</u>, some allies are worried that Biden is shaky on Putin's Nord Stream 2 pipeline, and the fight is a significant test of whether the new president's tough rhetoric against Russia will be matched by action.

- Russian opponents, including top officials in the Ukrainian and Polish governments, worry that Biden doesn't want to antagonize Angela Merkel and won't inflict serious costs on the Germans.
- And members of Congress both Republicans and Democrats — were underwhelmed by a report that the Biden State Department recently sent to Congress, which only targeted one Russian ship for sanctions. The Trump administration had already sanctioned that ship, the Fortuna.

**Behind the scenes:** The first call between the senior State Department officials and Republican and Democratic national security staffers from the House and Senate happened on Tuesday.

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questioning focused on why the Biden administration hadn't targeted a larger number of ships for sanctions — given, the aides argued, that maritime tracking clearly shows a number of additional ships are working on the pipeline.

 The call continued for around half an hour until the line suddenly fell dead from the State Department's end. While some Republicans on the call initially thought they'd been hung up on, the State Department said this was a technical issue.

**Then, on Thursday at 2 p.m.,** the State Department officials regrouped for a second briefing call, this time non-classified, with senior staff from House and Senate offices.

 This call was more contentious, according to three sources who participated. Rising hostility was coming from Republican officials who weren't satisfied with the responses. The Biden officials seemed to be trying to politely avoid conflict.

At one point during the call, a Republican Senate staffer asked the Biden officials why they hadn't

sanctioned Nord Stream 2 AG — the company in charge of building the pipeline.

 The State Department officials responded that they weren't going to discuss specific entities and that they were still investigating the facts and compiling the evidence. web page right now and they identify themselves as the company that's in charge of the planning, construction and operation of the pipeline."

"You have determined that sanctionable activity
was occurring related to the pipeline," the official
continued. "What is the sort of information that you
would need to get to confirm for yourself that the
company that runs the operation that you just
sanctioned is engaged in sanctionable activity?"

**State Department officials disputed** that the overall tone of the call was hostile, and contended that they had later heard from congressional staffers who described the briefing as useful.

 They argued it can take a long time to determine which entities are sanctionable and reiterated that the Biden administration plans to use all available tools to stop the completion of the pipeline.

During the call, Molly Montgomery, the Deputy Assistant Secretary in the Bureau of European and Eurasian Affairs, denied that the U.S. is negotiating with Germany on a potential side deal to allow the pipeline to proceed.

 Reuters <u>reported</u> Friday, citing a German government spokeswoman, that there "is an exchange between the U.S. government and Germany regarding the Nord Stream 2 pipeline to take Russian gas to Europe." The report did not provide any further details. concerns about the pipeline with the Germans.

A senior Senate aide on the call also defended the Biden administration against charges of moving slowly and softly, saying there was bipartisan opposition to the pipeline but the administration "needs to make sure that any sanction meets an evidentiary standard that can stand up in court."

- "Time is short and they are under the gun," the aide said, "but I think they are trying to avoid the clown car approach by the last administration which did things like sanction the Russian company Rusal, but had to walk it back after they almost collapsed the world aluminum market."
- "Measuring twice to cut once is always sound policy," the aide added, "especially when there is a sense of urgency to get this right."
- Yes, but: The Trump administration only removed Rusal from its sanctions list after a blacklisted oligarch and Putin pal, Oleg Deripaska, followed through on a commitment to divest his majority ownership stake in the company.

**GOP congressional staffers** asked the Biden officials to commit to updating the report they'd already delivered Congress with new entities that ought to be sanctioned, but the State Department officials did not commit to doing so.

 One of the Biden officials told the congressional staffers that if they had more information about **AXIOS** 

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letter to Secretary of State Antony Blinken naming these suspected vessels.

 In the recently passed defense bill, Congress mandated that the administration sanction a broad array of activities involved in the pipeline.

**The big picture:** Pipeline construction halted during the Trump administration after Congress mandated sanctions in a 2019 bill and top Trump officials, including Secretary of State Mike Pompeo, issued aggressive threats.

 But the Russians resumed major construction on Nord Stream 2 after Biden took office.

**The bottom line:** The pipeline is more than 90% complete, and could be finished by the summer without a major intervention to stop it.

